

The University of North Carolina

General Administration
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Constituent Universities
Appalachian State
University

East Carolina
University

Elizabeth City
State University

Fayetteville State
University

North Carolina
Agricultural and
Technical State
University

North Carolina
Central University

North Carolina
State University
at Raleigh

University of
North Carolina
at Asheville

University of
North Carolina
at Chapel Hill

University of
North Carolina
at Charlotte

University of
North Carolina
at Greensboro

University of
North Carolina
at Pembroke

University of
North Carolina
at Wilmington

University of
North Carolina
School of the Arts

Western Carolina
University

Winston-Salem
State University

Constituent High School
North Carolina
School of Science
and Mathematics

MEMORANDUM

TO: Committee on Educational Planning, Policies, and Programs

FROM: President Thomas W. Ross

DATE: March 9, 2012

SUBJECT: Licensure of SKEMA School of Business

The Board of Governors of the University of North Carolina is charged under North Carolina General Statute Section 116-15 with responsibility for licensing nonpublic educational institutions to conduct post-secondary degree activity in North Carolina. In November 2004, the Board of Governors approved revisions to the document, *Rules and Standards for Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina*. This document provides the guidelines for interpreting the standards, and the rules, regulations, and procedures under which the Board issues licenses to institutions to conduct post-secondary degree activity in North Carolina.

SKEMA School of Business, which is located in France, has applied for licensure to offer the following degree programs on the Centennial Campus of North Carolina State University:

- Bachelor's degree program in International Management
- Master of Science degree program in General Management
- Master of Science degree program in International Business
- Specialized Master's degree program in Financial Markets and Investments
- Master of Science in Global Luxury Management

As authorized by the UNC Board of Governors, SKEMA currently holds an initial license that expires on June 30, 2012. The current licensure application is for a regular license to offer the above-named degree programs. Dr. Frank Prochaska reviewed the application and appointed a team of examiners to determine if SKEMA complied with the licensure standards outlined in the *Rules and Standards*. On January 27, 2012, the team of examiners visited the SKEMA campus in Raleigh. Following the visit, the team of examiners issued its report which contained recommendations and suggestions. For more details on the degree programs and report, please review the summary.

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Thus, I recommend to the Committee on Educational Planning, Policies, and Programs of the UNC Board of Governors that a regular license be issued to SKEMA School of Business to offer the above-named degree programs in Raleigh, subject to annual reports and review at any time. The programs will be reviewed within two calendar years of the initiation in North Carolina to judge whether the institution continues to maintain standards for licensure.

Enclosure: Summary

SUMMARY OF VISIT OF TEAM OF EXAMINERS FOR THE FRENCH SCHOOL OF BUSINESS SKEMA**BACKGROUND INFORMATION**

The School of Knowledge Economy and Management (SKEMA) School of Business, which is located in France, was granted initial licensure on November 5, 2010 by the Board of Governors of The University of North Carolina for the eighteen-month period from January 1, 2011 through June 30, 2012 to offer the following four degree programs on the Centennial Campus of North Carolina State University (NCSU):

- Bachelor's degree program in International Management
- Master of Science degree program in General Management ("Grande Ecole" program) ("Grande Ecole" is a prestigious distinction awarded by the French government to a small number of French business schools.)
- Master of Science degree program in International Business
- Specialized Master's degree program in Financial Markets and Investments

The SKEMA Business School (hereafter SKEMA) has campuses in France at Lille, Sophia Antipolis (Nice), Paris LaVillette and Paris LaDefense, as well as in Casablanca, Morocco and Suzhou, China. SKEMA has approximately 6,200 students on all of its campuses, including exchange students. It has over one-hundred partnerships with foreign universities.

A Memorandum of Agreement between North Carolina State University and the SKEMA Business School was signed on September 14, 2010. During the period of initial licensure, SKEMA has been offering its programs and courses only to its own international students who have elected to attend the Raleigh campus. Beginning in Fall 2012, SKEMA and NCSU plan to initiate some collaborative programs in which students of each institution would enroll in courses taught by the other.

The SKEMA Business School is accredited by the European Quality Improvement System (EQUIS). EQUIS specializes in higher education institutions of management and business administration and is run by the European Foundation for Management Development. The accreditation is awarded to business schools based on general quality and also takes into account the business school's level of internationalization.

SKEMA is in the process of seeking accreditation by AACSB International – The Association to Advance Collegiate Schools of Business, which is located in Tampa, Florida. This Association is recognized by the Council for Higher Education Accreditation (CHEA).

The Rules and Standards (page 25) describe the Initial License as follows:

“For a new degree program proposed for licensure, the Board of Governors may in some circumstances approve an initial license that will allow institutions to offer the degree program in North Carolina but whose continuing validity must be reaffirmed based on a visit by a team of examiners and action by the Board of Governors.

Normally this visit will take place within a year of the program's starting, but no later than eighteen months from the date of initiation. An initial license is normally valid for one year but in no case can it be valid for more than eighteen months."

THE APPLICATION AND SITE VISIT

As required by the Rules and Standards, the SKEMA School of Business has applied for a regular license to offer the above four degree programs at its Raleigh location on the Centennial Campus of North Carolina State University. In addition, SKEMA has applied for a regular license to offer the following new degree program in cooperation with NCSU:

- Master of Science in Global Luxury Management

The five degree programs were evaluated for compliance with the fifteen Standards contained in The University of North Carolina Board of Governors' *Rules and Standards: Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina*. Dr. Frank T. Prochaska, Associate Vice President for Academic Affairs at the University of North Carolina General Administration, appointed a team of examiners to visit the SKEMA campus in Raleigh and evaluate its compliance with the licensure standards. The site visit occurred on January 27, 2012.

The team of examiners with expertise in the specific disciplines of these five degree programs was comprised of:

- Dr. Richard E. Neel (Chair), Dean Emeritus, Belk College of Business, and Professor of Economics Emeritus, University of North Carolina at Charlotte, Charlotte, North Carolina
- Dr. Stella Anderson, Professor of Management, Walker College of Business Administration, Appalachian State University, Boone, North Carolina
- Dr. J. Edward Graham, Professor of Finance, Cameron School of Business, University of North Carolina at Wilmington, Wilmington, North Carolina
- Dr. ByoungHo Jin, Putman and Hayes Distinguished Professor, Department of Consumer, Apparel and Retail Studies, Bryan School of Business and Economics, University of North Carolina at Greensboro, Greensboro, North Carolina
- Charles J. Popovich, Associate Professor Emeritus and former Head Business Librarian, The Ohio State University, Columbus, Ohio
- Dr. Alan T. Shao, Dean, School of Business, College of Charleston, Charleston, South Carolina
- Dr. Frank T. Prochaska, Associate Vice President for Academic Affairs, The University of North Carolina General Administration, Chapel Hill, North Carolina, *Ex Officio*

The team's task was to review the application and accompanying exhibits and to participate in the site visit to determine if the institution demonstrated compliance with licensure standards. Either prior to the visit or during the visit, many additional items of documentation were reviewed by the team including the curricula for the five degree programs, course syllabi, faculty curriculum vitae, library and electronic resources, educational facilities, computer resources at the Raleigh Campus, audited financial statements, enrollment data, and the *Faculty Handbook*.

During the visit, the team of examiners met either in-person or by videoconference with numerous administrators, faculty, staff, and students of the SKEMA School of Business.

PROPOSED NEW DEGREE PROGRAM

Master of Science in Global Luxury Management

The program includes coursework in consumer behavior, global textile and apparel business dynamics, advanced advertising strategy, finance and accountability in luxury and fashion, and international business development, in addition to many other areas. Students also have a variety of field experiences designed to enhance their industry knowledge and to help them build a professional network. In cooperation with SKEMA, the Poole College of Management at NCSU plans to add a concentration in Global Luxury Management as an option for students in its Master of Global Innovation Management degree program.

RECOMMENDATIONS

After the site visit, the *Preliminary Report to the President of the University of North Carolina from the Team of Examiners for the Visit to Review the Licensed and the Proposed Bachelor's and Master's Degree Programs at the North Carolina Campus of the SKEMA School of Business* was submitted. In the report, the team of examiners included seven suggestions and four recommendations. Suggestions, which are offered as suggested best practices by team members, do not indicate a lack of compliance with the *Rules and Standards*. A suggestion is written for the institution's benefit, and it does not need to be implemented; the recommendations, however, must be implemented by the institution. The recommendations addressed issues of library resources, faculty credentials, and the tuition guaranty bond.

The team of examiners concludes its report by stating it would make its recommendation to the General Administration of The University of North Carolina regarding the licensure of the SKEMA Business School's licensed and proposed degree programs after it receives the response from SKEMA to the recommendations and suggestions contained in the report.

After receiving the team of examiners' report, SKEMA responded to the recommendations and suggestions. All of the recommendations have been implemented to the satisfaction of the team of examiners.

After reviewing the institution's response, the team of examiners recommends that the SKEMA School of Business be licensed to offer the five degree programs listed in this summary.

Dr. Frank Prochaska agrees with the team's review and recommendations. Thus, General Administration recommends that the SKEMA School of Business be awarded a regular license to offer the following degree programs at its campus in Raleigh, North Carolina:

- Bachelor's degree program in International Management
- Master of Science degree program in General Management ("Grande Ecole" program)
- Master of Science degree program in International Business

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- Specialized Master's degree program in Financial Markets and Investments
- Master of Science degree program in Global Luxury Management

A site visit to the Raleigh campus of the SKEMA School of Business will be performed within two calendar years of the initiation of the new degree program (Master of Science in Global Luxury Management), by a team of examiners with expertise in the field, to ascertain the institution's compliance with the *Rules and Standards*, including the recommendations contained in the report.